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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91223574
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of Trademark Application	)	
Serial No. 86518323	)	
Filed: January 29, 2015	)	
Published: June 23, 2015	)	
By: Rosalie Gabriel, Individual, and Johnny D. Gabriel,	)	
Individual	)	
For the Trademark: MEZQUILA	)	
<hr style="border: 1px solid black;"/>	)	
LOS SANTOS, LLC, a California Limited Liability	)	Opposition No. 91223574
Company	)	
	)	
v.	)	
	)	
ROSALIE GABRIEL, an individual citizen of the United	)	
States, and JOHNNY D. GABRIEL, and individual citizen of	)	
the United States	)	
	)	
Applicant.	)	
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**OPPOSER’S REPLY TO MOTION FOR SUMMARY JUDGMENT**

**I. INTRODUCTION**

Applicants Rosalie Gabriel and Johnny D. Gabriel’s (“Applicants”) attempts to defeat Opposer Los Santos, LLC’s (“Opposer”) motion for summary judgment fail because Applicants cannot identify any documentary evidence demonstrates a “firm” intent to use the mark as of the present application’s filing. The Applicants filed the application merely as a placeholder. There is no dispute that, as of date of the application’s filing, there was no evidence of Applicants’ intent to use the mark. In fact, the evidence proffered by Applicants in their Response is dated

months *after* Opposer’s filing of this Opposition proceeding—which itself was filed on August 31, 2015.<sup>1</sup>

Applicants seek to downplay a very insightful deposition admission of Johnny Gabriel regarding Applicants’ mere place-holder intent, claiming that his testimony was “taken out of context,” yet Applicants provide no evidence to the contrary. Applicants point to no documents or testimony in the record to provide the allegedly missing necessary perspective. Applicants’ general experience in the alcohol industry, though interesting, is also insufficient to demonstrate Applicants’ otherwise non-existent intent to use the mark. Evidence of after-the-fact efforts to find suppliers, bottlers, and distributors, and design labels, etc.—all of which occurred *after Opposer filed this Opposition proceeding*—is not evidence showing intent at the time Applicants filed their application for this mark. Further, Applicants’ proffered evidence is from third-parties. The fact that Applicants believe third-parties’ intend to use the mark in the future (*e.g.*, Amar Ali, Azar Distilling, LLC) does nothing to support Applicants’ claims that Johnny and Rosalie Gabriel, as the Applicants, had any intent to use the mark at the time of the application filing. Nor do these after-the-fact efforts by third-parties show *the Applicants* have any intent to use the mark today.

## II. ARGUMENT

It is undisputed that an Applicant’s statutorily required “bona fide intent” to use a mark in commerce must exist “*at the time of the application.*” *See M.Z. Berger & Co. v. Swatch AG*, 787 F.3d 1368, 1376 (Fed. Cir. 2015) (emphasis added). An opposer may demonstrate a *prima facie* case that the applicant lacked the requisite intent, as of the filing date, “by establishing that there is an absence of any documentary evidence on applicant’s part regarding such intent.”

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<sup>1</sup> A Request for Extension of Time to Oppose had also been filed on July 22, 2015, in Opposition No. 86518323.

*Tekni-Plex, Inc v. Selig Sealing Prods.*, 2015 TTAB LEXIS 501 (T.T.A.B. Nov. 25, 2015) (citing *Commodore Elecs., Ltd.*, 26 U.S.P.Q.2d at 1507). Opposer has demonstrated that the record lacks evidence of Applicants' requisite intent with respect to this mark.

Once that initial burden is satisfied, the applicant must then come forward with either (1) objective evidence of its intent to use the mark in commerce ***at the time of the application***, or (2) an adequate explanation of why no such evidence exists. *See Smart Closets, LLC v. Produits Forestiers Direct, Inc.*, 2016 TTAB LEXIS 135 (T.T.A.B. Apr. 4, 2016) (quoting *Swatch AG v. M.Z. Berger & Co.*, 108 U.S.P.Q.2d 1463, 1472 (T.T.A.B. 2013), *aff'd M.Z. Berger & Co.*, 787 F.3d at 1368).

Here, it is undisputed that there are no documents or testimony evidencing intent contemporaneous with the present application's filing. Applicants have also failed to produce objective post-filing evidence that demonstrates their intent to use ***the mark*** as of the time of the application. Applicants' evidence, created after the filing of the application—the majority of which (or all of it) created after the filing of Opposer's Opposition in August 2015—provides no evidence to refute the fact that Applicants filed this mark as a placeholder. Applicants also make no effort to provide an adequate explanation for the non-existence of such evidence.

**A. Applicant's Has Produced No Documentary Evidence from the Time of Application**

To begin, it is undisputed that Applicants are without documentary evidence from the time of the application. Specifically, Applicants admitted they have no documents dated before or at the time of the Application's filing the Application which evidence a bona fide intent to use the mark in commerce. TTABVUE 7 at Exhibit B, RFA No. 20. Indeed, they have admitted to having no written business plans or distribution plans detailing their purported bona fide intent to use. *See id.* at RFA Nos. 19, 21, & 23. Mr. Gabriel also readily admits that, at that time, he had

no documents evidencing a plan for his purported use of the MEZQUILA mark. *Id.* at Exhibit A, Depo. at 78.

Although—as noted below—the lack of such documentation is not itself dispositive, it does establish a *prima facie* case. Moreover, the Board has rejected applications in similar situations where the applicant was unable to present timely documentation demonstrating the necessary, contemporaneous intent. In *Swiss Grill Ltd. v. Wolf Steel Ltd.*, for example, the Board noted “Applicant produced documentary evidence, but none of it predates the filing of its application[.]” *See* 115 U.S.P.Q.2d 2001 (T.T.A.B. 2015). Similarly, the Board in granting summary judgment in favor of the opposer in *PRL USA Holdings, Inc. v. Young*, noted “there is no documentary evidence of applicant’s bona fide intent to use [the] mark . . . at the time he filed his application.” *See* 2013 TTAB LEXIS 551 (T.T.A.B. Oct. 16, 2013). Thus, given the totality of the circumstances here, the Board should similarly reject the present application for the Applicants failure to present contemporaneous evidence of their intent.

**B. Applicant Has, Instead, Admitted to Having No Intent to Use the Mark**

Applicants’ failure to identify contemporaneous documentary evidence notwithstanding, Applicant has in fact ***admitted*** to having no intent to use the mark. The Federal Circuit has acknowledged “the evidentiary bar [to prove bona fide intent] is not high,” but still requires proof “that the applicant’s intent to use the mark was ***firm*** and ***not merely intent to reserve a right*** in the mark.” *M.Z. Berger & Co.*, 787 F.3d at 1378 (emphasis added).

At deposition, Mr. Gabriel admitted that he applied for trademark protection only because he “thought it would be a good idea . . . ***in case*** [he] wanted to bring in [his] own Tequila.” TTABVUE 7 at Exhibit A, Depo. at 21 (emphasis added). Applicants attempt to discredit this admission by arguing Opposer “latches onto an out-of-context quote.” *See* TTABVUE 9

(“Opp.”) at 14. Notably, however, Applicants never provide the necessary, remedial “context” that would allegedly explain such a statement. This is unsurprising, though, given that no such helpful context exists. The exchange, in full, was as follows:

- Q: Okay. When did you next start thinking about doing the Mezquila product?
- A: When we — about two months before we filed a trademark in January of ’14, I think. ’15 — I’m not — I don’t remember. ’14 or ’15. No, ’15. We filed it in ’15.
- Q: Okay. **And why did this come back up again 11 years later?**
- A: **I thought that it would be a good idea to have it trademark as a brand name in case I wanted to bring in my own Tequila.**

TTABVUE 7 at Exhibit A, Depo. at 21 (emphasis added). Accordingly, this statement alone evidences Applicants lacked the necessary, contemporaneous intent to use the mark.

The Federal Circuit has suggested that similar admissions are extremely probative, if not outright dispositive. *See, e.g., M.Z. Berger & Co.*, 787 F.3d at 1377-78 (noting applicants “all but conceded [they] had not made a firm decision to use the mark in commerce at the time of its application” where they stated “if” they were to pursue a business strategy, “that [the applied-for mark] would be a good mark for it”). The Board has agreed. *See, e.g., Research in Motion Ltd. v. NBOR Corp.*, 92 U.S.P.Q.2d 1926, 1931 (T.T.A.B. Dec. 2, 2009) (holding Applicant’s statement that mark would be “good mark for future use” failed to establish bona fide intent).

### **C. Post-Filing Evidence Also Fails to Demonstrate the Necessary Intent**

#### **1. Evidence Does Not Relate Back to Time of Filing**

While Applicant is right to note that the lack of documentary evidence, in and of itself, is not fatal to an intent to use application (*See Opp.* at 7-9), any such post-filing documentary evidence, however, must necessarily relate back or reflect back to the time of the Application’s filing and demonstrate that the necessary intent existed *as of the application’s filing*. Moreover,

the lack of such contemporaneous evidence is extremely relevant to the evaluation of Applicant's lack of contemporaneous intent. *See Swiss Grill Ltd.*, 115 U.S.P.Q.2d at 2009-10.

The Board has explained that “the focus is on the entirety of the circumstances, as revealed by the evidence of record.” *Lane Ltd. v. Jackson Int’l Trading Co.*, 33 U.S.P.Q.2d 1351, 1356 (T.T.A.B. 1994). There, the post-filing evidence “corroborated” other evidence of intent because the testimony established that the applicant’s predecessor had licensed a version of the mark-at-issue *prior to the application’s filing date*. *Id.* The post-filing evidence was probative, therefore, precisely because of its connection to that pre-filing activity. *Id.* The Board has recently discussed *Lane*—and granted summary judgment for lack of bona fide intent—where there was “no evidence whatsoever that prior to its filing date Applicant ever corresponded with anyone, discussed licensing agreements with anyone, developed a business plan or took any other steps to offer the [product-at-issue].” *Swiss Grill Ltd.*, 115 U.S.P.Q.2d at 2009.<sup>2</sup>

Here, Applicants have failed to explain how any of the post-filing documents connect back with the application’s filing date. All of the emails, purported “production timelines,” and prospective labels—generated months after the application’s filing—are not connected to actions taken before filing in January 2015. *See Opp.* at 8. In fact, all the evidence relates to purported

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<sup>2</sup> Applicant would have this Board believe that documents created post-filing are routinely credited in the bona fide intent analysis; this is just not so. In *Honda Motor Co., Ltd. v. Winkelmann*, for example, the Board actually **granted** summary judgment for lack of bona fide intent because the Applicant produced “no evidence that [he] engaged in the manufacture” of the claimed goods. 90 U.S.P.Q.2d 1600, 1600 n.5 (T.T.A.B. 2009). In *Swatch AG v. M.Z. Berger & Co.*, the Board also **granted** summary judgment for lack of bona fide intent, despite the existence of post-filing documentation, in part because “subsequent efforts [did] not establish intent to use.” 108 U.S.P.Q.2d 1463, 1477 (T.T.A.B. 2013). In *Target Brands, Inc. v. IQA Prods., LLC*, the Board only cursorily reviewed documents that were dated a mere one month after the application. *See Opposition No. 91204357*, at 8 (T.T.A.B. Feb. 5, 2014). The Board in *Yoplait Marques v. Eldib*, on the other hand, credited documents that were actually created **before** the filing of two of the three marks-at-issue—documents which demonstrated Applicant “was engaged in product research . . . prior to the filing date of [two of the applications].” *See Opposition No. 91197220*, at 6-7 (T.T.A.B. July 8, 2015).

actions taken *after* Opposer filed this Opposition proceeding in August 2015. The mere existence of a trip to Mexico in September 2015, a “production time line” in November 2015, and a rejected label also in November 2015, without more, do nothing to support the notion that Applicant had a “firm” bona fide intent in January 2015. These actions taken after the filing of this Opposition proceeding, which are not tied to any actions taken prior to the application filing is evidence of a place-holder mark, particularly in light of Applicants’ admission that this application was filed “in case I wanted to bring in my own Tequila.”

Further, the actions of third-parties after the filing of this Opposition proceeding fail to show any intent by Applicants to use the mark. Applicants’ focus on purported agreements with vendors and suppliers is also simply misplaced. Specifically, Applicant argues it has “selected and engaged a distillery,” as well as “engaged a bottler . . . and a distributor.” Opp. at 10. Yet, the cited testimony wholly fails to indicate any such “selection” or “engagement.” The first passage, for example, merely indicates that Mr. Gabriel attended a meeting with a distiller. Opp. at Exhibit A, Depo. at 66:4-11 (asking “was the distiller at that meeting”). There is no evidence of any agreement, much less any evidence that this meeting—now nearly a full year after the present application—demonstrated any intent as of that earlier, January 2015 time period. The second passage also fails to support Applicants’ argument; consisting of just attorney preamble and including no affirmative testimony. *Id.* at 29:12-15 (“Let’s talk a little bit about your business plans for the Mezquila product. I think you mentioned that you need to have a distiller, a bottler, a distributor.”).

Applicants also try to deflect their lack of secure regulatory approval, by citing similarity vague testimony that shirks responsibility to third parties. *See* Opp. at 10 n.69. Nonetheless, case law instructs that the failure to obtain necessary permits or regulatory approval is further



evidence of an applicant's lack of bona fide intent. *See, e.g., Spirits Int'l B.V. v. S.S. Taris Zeytin Ve Zeytinyagi Tarim Satis Kooperatifler Birliđi*, 99 U.S.P.Q.2d 1545, 1549 (T.T.A.B. July 6, 2011) (noting failure to obtain Importer's permit, Wholesaler's permit, certificate of label approval, or be registered with the FDA as an importer). Here, Applicants do not produce any of these documents but instead cursorily states that a different, third party actor is "handling those applications." Opp. at Exhibit A, at 71:8-9.

Ultimately, Applicants' hodgepodge of documents fail to demonstrate any "firm" bona fide intent because, not only do they not relate back to the date of application, they themselves present only non-specific strategies of how to bring a product to market. These types of generalized documents were just the type the Board rejected in *L'Oreal S.A. v. Marcon*, where it noted "Applicant's very generalized and non-specific reference to licensing and outsourcing as potential strategies to bring the product to the market at an unspecified time in the future [] is, to say the least, **woefully deficient** in showing a bona fide intent to use the mark." 102 U.S.P.Q.2d 1434, 1443 (T.T.A.B. 2012) (emphasis added); *compare USA Pro IP Ltd.*, 2015 TTAB LEXIS 196, at \*20-21 (finding bona fide intent where Applicant produced marketing plans that "set forth brief but sufficient details of a strategy to launch its branded goods" and noted evidence of label designs existed as of the application's filing date).

## 2. Statement of Use Factors Are Irrelevant

Applicants are also incorrect to rely on the elements of 37 C.F.R. § 2.89(d) as potential support or evidence of their bona fide intent. The entire discussion relating to this regulation is unavailing because the cited authority only suggests that such factors may be relevant where they are conducted **prior to the application's filing**. *See Poker Clothing, Inc. v. Donati*, 2015 TTAB LEXIS 478, at \*25-26 (T.T.A.B. Nov. 17, 2015) (citing *M.Z. Berger & Co.*, 114 U.S.P.Q.2d at

1898 n.5). Specifically, the Board recognized that, while the Federal Circuit had “suggested that evidence of market research, manufacturing activities, promotional activities, steps to acquire distributors, steps to obtain governmental approval, or other similar activities” may be evidence of bona fide intent, all such evidence was *already in existence prior to filing*. *Id.* Specifically, the Applicant in *Poker Clothing* had already entered into manufacturing agreements and developed distributor arrangements by the time it submitted the challenged application. *Id.* at \*13-14. Thus, any efforts by Applicants, here, to rely on these factors as “objective evidence” of their intent must be rejected because the documents referenced were all created after the present application was filed—and after this Opposition proceeding was filed.

**D. Reference to Applicant’s Industry Experience is Irrelevant**

The above infirmities notwithstanding, Applicants also incorrectly suggest that their experience in the alcohol industry, generally, is relevant to the present analysis. The Federal Circuit in *M.Z. Berger & Co.* affirmed the Board’s analysis when it recognized the applicant’s past in the watch industry, but did not credit it because the applicant had “never made” the particular product sought to be protected by the application. 787 F.3d at 1378. Thus, the Court held, there was “no error with the Board’s determination that there was *no nexus* between [Applicant’s] general capacity to produce watches and the capacity required to produce a ‘smart’ watch.” *Id.* (emphasis added). Applicants’ experience in the alcohol industry is likewise irrelevant here because they have never before been involved in the production, distilling, or bottling. *See* Opp. at Exhibit A, Depo. at 12-13. Instead, Mr. Gabriel admits they have only ever been involved in the “retail liquor business.” *Id.* Any purported past experience is made further immaterial because of Applicant’s admitted retirement from the business more than ten years ago. *Id.* at 17.

### **III. CONCLUSION**

For the foregoing reasons, Opposer respectfully requests the Board grant its Motion for Summary Judgment and denies the Application.

DATE: July 25, 2016

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of this **OPPOSER'S REPLY TO MOTION FOR SUMMARY JUDGMENT** is being served by First Class Mail service and/or e-mail, to addressees on July 25, 2016 as follows:

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